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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In the Application of)
) Examiner: Richard E. Chilcot
Martin Loeser)
)
on PAYMENT SYSTEM BY MEANS OF) Group Art Unit: 3627
A MOBILE DEVICE)
)
Serial No.: 10/058,551)
)
Filed On: January 28, 2002) (Docket No. 6400-0030)

Middletown, Connecticut, August 1, 2005

Board of Patent Appeals and Interferences
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

APPEAL BRIEF

Sir:

This is an appeal to the Board of Appeals from an Office Action mailed March 9, 2005, marked "final", in which the Examiner indicated that claims 1-6 and 8-10 of the above-identified application were rejected. Appellants timely filed a Notice of Appeal at the U.S. Patent and Trademark Office on June 2, 2005. Therefore, the due date for filing the Appeal Brief is August 2, 2005. This brief is being filed in support of that Notice of Appeal.

One copy of this brief is being filed.

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I. REAL PARTY IN INTEREST

The real party in interest is:

Wincor Nixdorf International, GmbH
Heinz-Nixdorf-Ring 1
D-33106 Paderborn
Germany

II. RELATED APPEALS AND INTERFERENCES

There are no other appeals or interferences known to Appellant, or Appellant's legal representative which will directly affect, or be directly affected by or have a bearing on the board's decision in the pending appeal.

III. STATUS OF CLAIMS

Claims 1-6 and 8-10 are pending in the above-referenced patent application and have been rejected by the Examiner under 35 U.S.C. §112 first paragraph, and 35 U.S.C. § 103 (a).

Originally filed claim 7 has been cancelled.

Claims 1-6 and 8-10 are being appealed.

IV. STATUS OF AMENDMENTS

No amendments have been filed subsequent to the final rejection.

V. SUMMARY OF CLAIMED SUBJECT MATTER

The invention disclosed in the application on appeal is directed in one aspect to a method for carrying out payment processes whereby a cash register wirelessly transmits a payment demand to a customer's mobile device via a first link. The mobile device checks the payment demand and if the result of this check is positive, the mobile device generates and transmits a payment instruction via a second link to a payment center. The payment center then checks the payment instruction and if the result of this check is also positive, the payment center sends a payment confirmation directly to the cash register via a third link. The cash register then checks the payment confirmation and, if payment is in fact confirmed, releases the paid for goods. (See page 3, lines 5-16, page 4, lines 25-38, pages 5-10 and the sole figure of the application as filed).

In the method, the payment center after a positive check of the payment instruction may send a payment debit to a banking center. In addition, in an embodiment of the appealed invention, the cash register can store the payment confirmations and send accumulated payment confirmations to a payment clearing office which checks and accumulates the payment confirmations by amount and credits the owner of the cash register with the total amount. (See page 9, line 34-38 and page 10, line 1 of the application as filed) The payment instructions may also be digitally signed in one or both of the mobile device and the payment center. (See page 10, lines 29-38 and page 11, lines 1-5 of the application as filed.)

The invention disclosed in the application on appeal is directed in another aspect to a cash register for cashless payment that includes a first interface for wireless data transmission. The cash register includes a first interface for wireless data transmission and a transmitting agent connected to the first interface. The transmitting agent generates payment demands and sends them via the first interface. A second interface also connected to the cash register. A receiving agent is connected to the second interface for receiving payment confirmations. A checking facility is directly connected to the transmitting agent, the receiving agent, and a releasing agent and receives by this means, payment demands and confirmations, checks the authenticity of the payment confirmations and also checks whether the payment confirmation matches the payment demand. The cash register is further equipped to, receive the results of the check performed by the payment center, output a message to an operator via an output device, or release a goods output. (See Page 4, lines 25-37, page 5, lines 1-23, and FIG. 1 of the application as filed.)

The invention disclosed in the application on appeal is further directed to a mobile device for cashless payment that includes a first interface for wireless data transmission by means of which a payment demand is received. The mobile device also includes a checking device for reviewing the payment demand and if appropriate, for issuing payment instructions. A second interface for wireless data transmission also forms part of the mobile device and is used to transmit payment instructions to a payment center, the mobile device being directly connected to the payment center. (See Page 4, lines 25-37, page 5, lines 1-23, and FIG. 1 of the application as filed.)

VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

The issues to be resolved are:

- (1) whether claims 1-6 and 8-10 fail to comply with the written description requirement of 35 U.S.C. §112; and
 - (2) whether claims 1-6 and 8-10 are rendered obvious under 35 U.S.C. §103
- (a) as being unpatentable over United States Patent No. 6,487,540 to Smith et al.

VII. ARGUMENTS

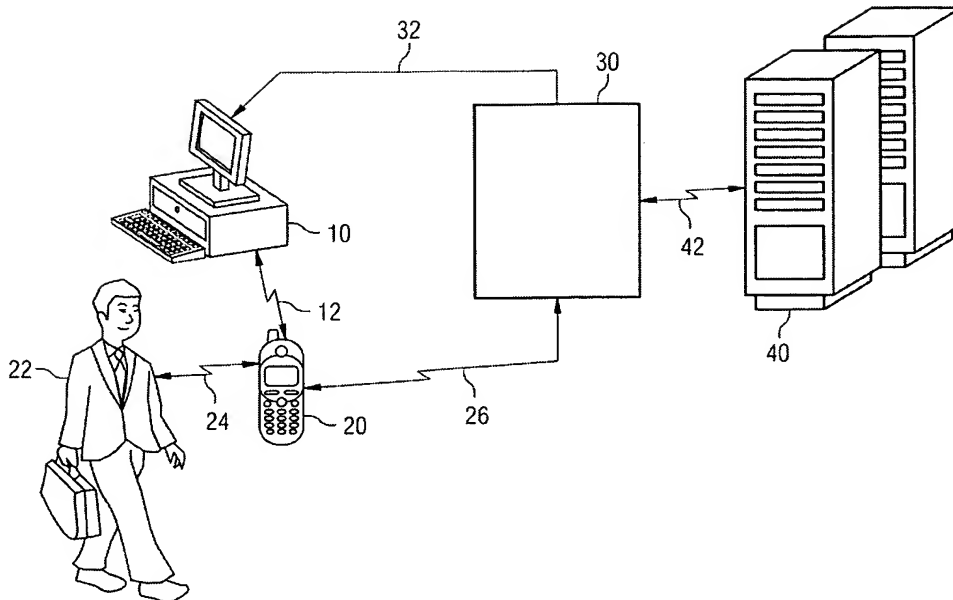
Rejections Under 35 U.S.C. §112 First Paragraph

In the Final Office Action, the Examiner has rejected claims 1-6 and 8-10 under 35 U.S.C. §112 first paragraph as allegedly failing to comply with the written description requirement. The Examiner alleges that the claims contain subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventors, at the time the application was filed, had possession of the claimed invention. More specifically, the Examiner alleges that the recitation that the checking facility is directly connected to the transmitting agent is not supported by the specification. Appellants respectfully disagree.

In the “Response to Arguments” section of the Final Office Action, the Examiner states that the specification in page 5 “only states a data link (32) is placed between the checking facility and the payment facility” The Examiner then goes on to opine that a “data link is a means for transmitting information between any two devices, which could also include modems that enables transmissions.” In support of this contention, the Examiner cites the Microsoft Computer Dictionary, 1997 and goes on to state that it is clear from that definition that the payment center is not “directly” connected to the checking facility.

Nowhere in the application on appeal did the Applicants adopt or cite the definition for data link relied upon by the Examiner. Instead, it is the Examiner that is relying on extrinsic evidence to impute a meaning to a term in a patent application. This is improper, particularly where the patent application when taken as a whole clearly establishes the meaning of the term.

In addition, the Examiner states that “while it is agreed that the figures of an application are considered part of the specification, the instant Figure is insufficient to overcome the rejection. For reference, the figure referred to by the Examiner is reproduced below.



The Examiner, in the Office Action has stated that the language in question and which he has based his section 112 first paragraph rejection on is the “recitation, the checking facility which is “directly” connected to the transmitting agent.” The Examiner has rejected, *inter alia*, claim 1 based on this statement. However, such language does not appear in claim 1. Instead, claim 1 of the application on appeal reads in pertinent part, “if the result is positive, the payment center sends a payment confirmation *directly* to the cash register via a third link.” This recitation is amply supported by the specification at page 8, lines 4 to 18, of the application as originally filed, the application states:

One of the two preferred possibilities consists in that the cash register can be reached via a network, particularly the Internet and in this case, in particular, the ‘UDP/IP’ or ‘TCP/IP’ protocol. In this case, the payment center receives an IP address with a port number to which the link is to be set up. The use of a ‘universal resource locator’ (URL), also known as Internet address, is similarly possible. Such a URL for a payment confirmation could be:

“https://cr7.pdb.pay.fuelworld.com/20000112/132305?xyz”

In this case, cash register 7 itself would be an HTTP or HTTPS server and data are transmitted as CGI syntax by adding ‘?xyz’.

Accordingly, the cash register can function as a server that is directly linked, via a communications network to a payment center. In addition, at page 9, lines 1-19, of the application as originally filed, the application states in pertinent part, “As an alternative to the direct transmission of the payment confirmation to the cash register ...”

Moreover, on page 5, of the application as originally filed at lines 8-11, the application states, “Furthermore a third data link 32 between the payment center and the cash register 10 is used. In particular, this can be a wholly or partially wire connected fixed network...” Third data link 32 is shown in the figure reproduced above, and forming part of the application in question, as extending directly between the cash register 10 and the payment center 30. Accordingly, the specification amply supports the language in claim 1.

However, since the recitation objected to by the Examiner does not appear in claim 1, Appellants request that the Examiner’s rejection of claim 1, as well as claims 2-6 and 8 which depend there from be withdrawn.

Independent claim 9 is directed to a cash register, and recites in pertinent part, “checking facility which is directly connected to the transmitting agent...” The Examiner argues that because element 32 is referred to as a data link in the specification and that a data link may include a modem. he claim calls for a transmitting agent, a modem is certainly one form of a transmitting agent. In addition, the application in question discusses the use of Bluetooth or IrDA as other transmission means. Accordingly the term “directly connected” should be applied in its customarily understood manner and is synonymous with “directly communicates.” This contention is supported by the specification as well as the figure which shows direct communication links between various elements.

In the instant situation, the Examiner’s reliance on extrinsic evidence, namely the Microsoft Dictionary, when the intrinsic evidence amply supports the claims, was improper. When an analysis of the intrinsic evidence alone will resolve any ambiguity in a disputed claim term, it is improper to rely on extrinsic evidence.¹ What is disapproved of is an attempt to use extrinsic evidence to arrive at a claim construction that is clearly at odds with the claim construction mandated by the claims themselves, the written description, and the prosecution history, in other words the written record of the patent. Thus if the meaning of a disputed claim term is clear from the intrinsic evidence – the written record- that meaning and no other, must prevail.² The inventor’s explanation of the meaning of a word, as evidenced by the specification, controls the interpretation of that claim term, as opposed, for example,

¹ *Kegel Co. v. AMF Bowling, Inc.*, 127 F.3d 1420 (Fed. Cir. 1997).

² *Key Pharm., Inc. v. Hercon Labs. Corp.*, 161 F.3d 709 (Fed. Cir. 1998).

dictionary definitions.³ A claim construction is persuasive not because it follows a certain rule, but because it defines terms in the context of the whole patent. It is well established that when a general term is used to introduce a concept that is further defined more narrowly, the general term must be understood in the context in which the inventor presents it.⁴

Appellants respectfully submit that all of the terms as used in the claims of the instant application are clearly supported by the specification. Based on the foregoing, Appellants respectfully request that the Board withdraw the section 112 first paragraph rejection of claim 9.

The Examiner's section 112 rejection encompasses independent claim 10 of the application on appeal. However, claim 10 does not contain the language complained of by the Examiner. Instead, claim 10 reads in pertinent part, wherein the mobile device is directly connected to the payment center." Since this language was not objected to by the Examiner, Appellants respectfully request that the section 112 first paragraph rejection be withdrawn by the Examiner.

Rejections Under 35 U.S.C. §112 Second Paragraph

There are no rejection under 35 U.S.C. §112 second paragraph.

Rejections Under 35 U.S.C. §102

There are no rejection under 35 U.S.C. §102.

Rejections Under 35 U.S.C. §103

The Examiner has rejected claims 1-6 and 8-10 under 35 U.S.C. §103 (a) as being unpatentable over United States Patent No. 6,487,540 to Smith et al. (hereinafter referred to as "Smith"). As an initial matter, in the Response to Arguments section of the Office Action the Examiner criticizes Appellant's response to the last Office Action by stating, "Applicants argument is against Smith individually, one cannot show non-obviousness by attacking references individually where the rejections are based on combinations of references." In support of this statement, the Examiner cites, *In re Keller*, 642, F.2d 413, 208 USPQ 871 (CCPA 1981) and, *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

³ *Serano v. Telelur Corp.*, 111 F.2d 881 (Fed. Cir. 1984).

⁴ *Renishaw plc v. Marposs Societa' per Azione*, 158 F.3d 1243 (Fed. Cir. 1998) and *In re Glaug* 283 F.3d 1335 (Fed. Cir. 2002).

Appellants agree with the Examiner's statement, when a combination of references is applied in a section 103 rejection, arguing the references individually is inappropriate. However, as is the situation here, when only a single reference is applied in a section 103 rejection, one can argue only that reference. Smith was the sole reference applied by the Examiner, as such Applicant's arguments were completely appropriate. Since, by the Examiner's remarks, Applicants arguments were not given proper consideration, Appellants request that the Examiner's section 103 rejection be withdrawn.

In the Office Action, the Examiner also states that Smith discloses a method for carrying out payment processes in which a cash register (61) transmits a payment demand wirelessly via a first link. In support, the Examiner relies on column 7, lines 32+, this passage of the Smith reference reads as follows.

"Once verified, the order could be transmitted wirelessly to the wireless vending device whereupon the device would respond by indicating that there were sufficient quantities of product available at the price requested and would transmit that information back to the wireless purchasing device along with an authorization code. The wireless purchasing device would then forward the authorization code in a request to the authorization processor 30. Authorization processor 30 would then locate the appropriate customer bank lender 39 and forward the request for transfer of funds. The customer bank lender would use the authorization code to locate the correct vendor account and it would transmit funds from the owner of the wireless purchasing device over into the account of the vendor. Once the funds have been transferred, a transfer verification would be forwarded back to the authorization processor *back to the wireless purchasing device and forwarded to the wireless vending device 61*. Upon receiving the verification, the vending device would release the product to the owner of the wireless purchasing device." (*emphasis ours*)

Unlike the invention recited in claim 1 of the instant application, Smith does not teach or suggest that "the payment center sends a payment confirmation directly to the cash register. Nor does Smith teach or suggest "a checking facility which is directly connected to the transmitting agent, the receiving agent and a releasing agent and receives by this means the payment demand and the payment confirmation," as is recited in claim 9 of the present application. Instead Smith teaches, as is set forth in the quoted passage above, that "Once the funds have been transferred, a transfer verification would be forwarded back to the authorization processor back to the wireless purchasing device and forwarded to the wireless vending device 61." Accordingly, Smith teaches away from the invention recited in the

instant application by disclosing that the transfer verification is transmitted from the payment center to the wireless purchasing device and then to the vending device. This is directly contrary to the invention recited in claims 1 and 9 of the application in question. Where, as is the case here, a reference teaches away from the claimed invention, a section 103 rejection is improper. For at least these reasons, Appellant respectfully submits that claims 1 and 9 are patentably distinguishable over the reference applied by the Examiner and an early action to that effect is earnestly solicited.

Further with respect to claim 9, and regarding claim 10, the Examiner states in the Office Action:

“Regarding claims 9 and 10, it would have [been] obvious for the skilled artisan that the cash register and mobile device used in the method for cashless payment would have had all of the features and components necessary to perform the method...”

The Examiner further states that, “Concerning the limitations that communications links are directly connected, these limitation[s] are of no moment.”

It is inappropriate for the Examiner to compare claims 9 and 10 to the claimed method of the invention. Claims 9 and 10 are apparatus claims and are independent. Accordingly, these claims stand alone. It is the structure of the claimed apparatus that is relevant not its relationship to a disclosed method. The Examiner has not identified any prior art wherein apparatus having structure identical or similar to that recited in claims 9 and 10 is disclosed. Moreover, it is also improper to dismiss a claimed element out of hand as the Examiner has done regarding the “directly connected” limitations the Examiner has referred to herein.

For at least the reasons set forth herein above, Appellant respectfully requests that the Board withdraw the Examiners section 103 rejections.

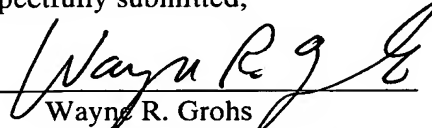
Conclusion

For the reasons discussed above, this application is in a condition for allowance and thus reversal of the outstanding rejections and allowance of the application is appropriate.

A check in the amount of \$500.00 is included with the submission of this Appeal Brief. If additional charges are incurred with respect to this Appeal Brief, they may be charged to Deposit Account No. 503342 maintained by Appellants' attorneys.

Respectfully submitted,

By

A handwritten signature in black ink, appearing to read "Wayne R. Grohs", written over a horizontal line.

Wayne R. Grohs
Registration No. 48,945
Attorney for Appellants

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VIII. CLAIMS APPENDIX

1. A method for carrying out payment processes, in which
 - a cash register transmits a payment demand wirelessly via a first link to a mobile device of a customer,
 - the latter checks the payment demand,
 - if the result is positive, generates from it a payment instruction,
 - transmits the latter via a second link to a payment center,
 - the payment center checks the payment instruction,
 - if the result is positive, the payment center sends a payment confirmation directly to the cash register via a third link,
 - the cash register checks the payment confirmation and
 - if the result is positive, indicates this and releases goods to be paid for.
2. The method as claimed in claim 1, wherein the payment center, after a positive check of the payment instruction, sends a payment debit to a banking center.
3. The method as claimed in claim 1, wherein the cash register stores the payment confirmations, accumulates them and sends them collected to a payment clearing office which checks the payment confirmations, accumulates them by amount and credits the owner of the cash register with the total amount.
4. The method as claimed in claim 1, wherein the payment instruction is digitally signed in the mobile device.
5. The method as claimed in claim 1, wherein the payment confirmation is digitally signed in the payment center.
6. The method as claimed in claim 1, wherein the payment demand contains the address to which the payment confirmation is sent.
8. The method as claimed in claim 1, wherein Bluetooth or IrDa is used as the first interface and GSM, GPRS or UTMS are used as the second interference.

9. A cash register for cashless payment, having the following features:
- a first interface for wireless data transmission and a transmitting agent which is connected thereto and which generates a payment demand and sends it via the first interface,
 - a second interface for data transmission and a receiving agent connected thereto which receives a payment confirmation which has arrived via the receiving interface,
 - a checking facility which is directly connected to the transmitting agent, the receiving agent and a releasing agent and receives by this means the payment demand and the payment confirmation, checks the authenticity of the payment confirmation and also checks whether the payment confirmation matches the payment demand,
 - forwards the result of the checking to the releasing agent which outputs a message to an operating person via an output device or releases a goods output.
10. A mobile device for cashless payment, having the following features:
- a first interface for wireless data transmission by means of which a payment demand is received,
 - a checking device for the payment demand which, if the result is positive, generates a payment instruction,
 - a second interface for wireless data transmission by means of which the payment instruction is transmitted to a payment center; and wherein the mobile device is directly connected to the payment center.

IX. EVIDENCE APPENDIX

No evidence is submitted with this Appeal Brief.

X. RELATED PROCEEDINGS APPENDIX

No related proceedings are known to Appellants, Appellants' legal representatives, or assignees.